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American Banker

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VOL. CLII NO. 5 Thursday, January 8, 1987

TODAY

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NEW OPPORTUNITIES beckoned executives in financial services to explore other areas of the industry in 1986. Movers were motivated by the desire for independence, a second career, or the need for new jobs following mergers... 16

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Quote

The institution has a winning attitude, and I believe the best is yet to come.

Barbara S. Thomas — former SEC commissioner and former executive director of Samuel Montagu & Co. in Hong Kong — on her move to New York to become head of the international private banking division of Bankers
Trust Co. [Page 16]

Unquote

Comptroller to Study Bank Earnings Problems

By JAY ROSENSTEIN
Washington Bureau

WASHINGTON — Robert L. Clarke, the nation's regulator of federally chartered banks, said here Wednesday that he plans to take a close look at the problems bankers might be having with earnings and the rise in consumer debt.

Mr. Clarke, the comptroller of the currency, said in an interview that he has been told by many bankers, including some from well-run institutions, that they have "no operating earnings," meaning earnings from traditional sources such as service fees and loan income. Instead, he said, banks say they are getting earnings from securities trades, an activity that could encounter tough times if interest rates change. He said the agency will review 1986 financial information that will be coming in from banks, and if this earnings pattern proves to be widespread, "that is troublesome."

Credit card debt as well as the anticipated surge in home equity loans — the latter primarily due to changes in the new tax law — could be other sources of problems that banks need to guard against, the comptroller said.

Mr. Clarke made these comments in a wide-ranging interview with the Washington bureau of the *American Banker*.

He also said holding companies that last week were given authority by his agency to operate banks in the District of Columbia under a turn-of-the-century law are mistaken if they think the action means they are free to engage in a host of securities activities and other practices that banks are not normally allowed to engage in.

Robert L. Clarke

Comptroller: Page 11 ➳

Beseiged Bankers Hold Their Ground Despite Push by Nonfinancial Firms

Interest by Auto Firms, Others Shows the Value of Banking Franchise

By JEFFREY KUTLER

'86 preview '87

A Series of Articles Looking Back and Ahead
At Issues Facing the Financial Services Industry

NEW YORK — Nonfinancial corporations in 1986 continued their assault on banking and other segments of the financial services industry, but the picture is not as bleak as many besieged bankers seem to believe.

While deregulation-minded bankers complained, as they had for years, about a "playing field" tilted in favor of powerful new entrants, those very legalities kept the likes of General Motors Corp. and Sears, Roebuck and Co. from completing their invasion. For all their flexibility, they are unable to acquire full-service commercial banks.

Despite its alleged obsolescence, commercial banking demonstrated its value as a franchise worth defending.

Thwarted by those protections, nonbank attackers concentrated their forces where barriers to entry were lowest, primarily the mortgage banking and thrift industries.

There is some justice in corporate takeovers of thrift institutions, where capital needs have been most critical.

On the other hand, few bankers take comfort in knowing that just before 1986 began, Ford Motor Credit Corp. acquired First Nationwide Bank, the nation's eighth largest thrift, with operations in eight states.

Fuqua Industries, an Atlanta-based consumer products conglomerate, last summer took over Georgia Federal Bank, the 68th biggest savings institution in the United States.

Mortgage banking, a historically fragmented sector that is rapidly con-

Nonbanks: Page 10 ➳

Henkel Meets Press To Deny Allegation Of Special Interests

Bank Board Appointee Defends Plan to Ease Investment Rules

By JIM McTAGUE
Washington Bureau

WASHINGTON — Lee Henkel, under fire from members of Congress after little more than a month on the Federal Home Loan Bank Board, met with reporters on Wednesday to rebut charges of favoritism.

"In 35 years . . . my integrity has never been called into question," he declared.

Mr. Henkel, who was appointed to his post by the White House in November, presented data to show that his Dec. 18 proposal to liberalize direct investment restrictions did not contain a provision exclusively for the benefit of the Lincoln Savings and Loan Association, Irvine, Calif.

Mr. Henkel's motion to adopt his plan died for want of another motion to second it.

Lincoln Savings' parent company is controlled by Charles Keating, who has waged an energetic campaign against limitations the Bank Board proposes to set on direct investments.

Press reports have quoted unnamed sources at the Bank Board who say that Lincoln Savings would have been the only institution in the country to benefit from a provision in Mr. Henkel's proposal to allow the grandfathering of direct investments inadvertently exceeding the Bank Board's 1985 limits.

According to *The Wall Street Journal*, if Mr. Henkel's proposal had been adopted, it could have ended a dispute with the Bank Board over $615.4 million in such investments.

Mr. Henkel's Atlanta law firm has done work for Lincoln Savings in the past, and Lincoln has granted loans to certain business interests that Mr. Henkel controls. Mr. Henkel said that he has put all business interests into a blind trust and that he plans to avoid votes that would affect Lincoln or any other thrift with which he has had dealings.

Sen. William Proxmire, D-Wis., the chairman of the Senate Banking Committee, fired off a letter to the Justice Department after the press reports, re-

Henkel: Page 10 ➳

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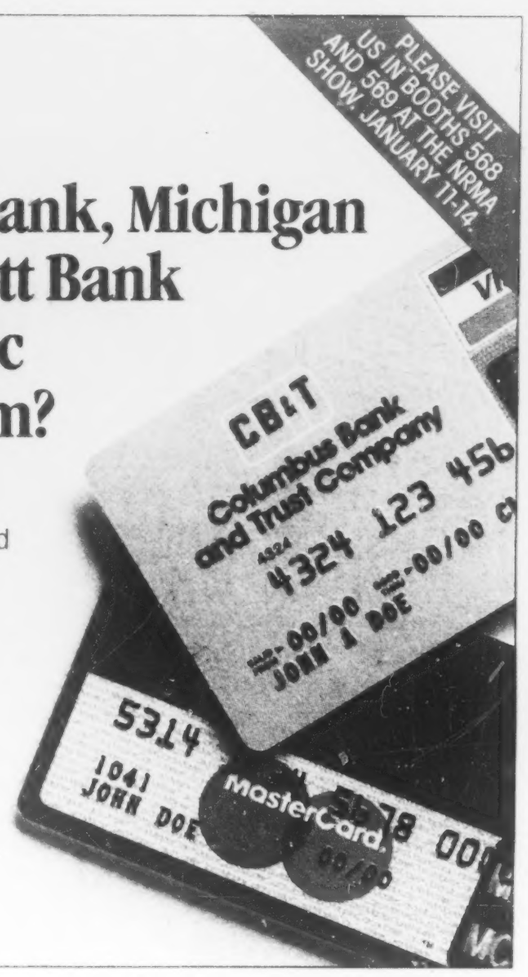
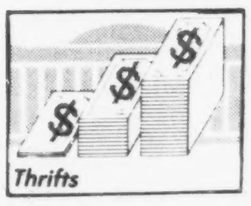


83 Thrift Institutions Required Action by Bank Board in 1986

Washington Bureau

WASHINGTON — A total of 83 federally insured thrifts got into enough financial hot water in 1986 to require drastic action on the part of the industry's chief regulator, the Federal Home Loan Bank Board.



The Bank Board estimates that another 500 institutions may require similar actions. However, the regulators say they lack sufficient money to take care of the problems, and currently they are asking Congress for legislative authority to raise funds.

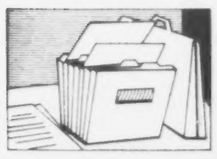
During 1986, 21 thrift institutions were closed, another 22 were taken over by healthy institutions with the assistance of the Federal Savings and Loan Insurance Corp., and 43 were placed in a management consignment program. Under that program, outside experts are brought in to attempt to reverse the financial fortunes of the troubled institutions.

Three of the thrifts in the management consignment program are de novo institutions, chartered to assume the performing assets of some of the closed thrifts. The new institutions are not included in the following list:

□

1. **Manhattan Beach Savings and Loan Association,** Manhattan Beach, Calif. Jan. 10. Assets of $53 million. Management contract.
2. **Bohemian Savings and Loan Association,** St. Louis. Jan. 30. Assets of $244 million. Management contract.
3. **Great West Savings and Loan Association,** Las Vegas. Jan. 31. Assets of $53 million. Assisted acquisition.
4. **Intercapital Savings Bank,** Jacksonville Beach, Fla. Feb. 7. Assets of $74.8 million. Closed.
5. **American Federal Savings and Loan Association,** Anadarko, Okla. Assets of $147 million. Feb. 7. New board.
6. **Coronado Federal Savings and Loan Association,** Kansas City, Kan. Feb. 7. Assets of $12.9 million. Conservatorship.
7. **Mount Whitney Savings and Loan Association,** Exeter, Calif. Feb. 12. Assets of $82 million. Conservatorship by FSLIC.
8. **American Diversified Savings Bank,** Costa Mesa, Calif. Feb. 14. Assets of $977 million. Management contract.
9. **Capitol Savings and Loan Association,** Mount Pleasant, Iowa. Feb. 21. Assets of $199.6 million. New board, new federal mutual fund charter.
10. **Sierra Federal Savings and Loan Association,** Denver. Feb. 28. Assets of $42.3 million. Closed.
11. **Mercury Savings Association of Texas,** Wichita Falls, Tex. March 14. Assets of $631.8 million. Management contract.
12. **Ben Milam Savings and Loan Association,** Cameron, Tex. March 14. Assets of $308.2 million. Management contract.
13. **Southern Federal Banc Savings and Loan** (the former Lancaster First Federal Savings and Loan Association), Lancaster, Tex. March 18. Asset data not furnished. Indemnification of current officers and directors.
14. **First Federal Savings and Loan Association of Redding,** Redding, Calif. March 20. Assets of $38.5 million. Assisted merger.
15. **Hacienda Federal Savings and Loan Association,** Oxnard, Calif. March 20. Assets of $33.4 million. Assisted merger.
16. **Guaranty Savings and Loan Association,** Longview, Wash. March 21. Assets of $23.4 million. Closed.
17. **Westwood Savings and Loan Association,** Los Angeles. March 27. Assets of $554.2 million. Management contract.
18. **United Savings Bank,** San Francisco. March 28. Assets of $603.9 million. Assisted merger.
19. **Mainland Savings Association,** Houston. April 4. Assets of $1 billion. Closed.
20. **First American Savings and Loan Association,** Oak Brook, Ill. April 14. Assets of $81.3 million. Management contract.
21. **Summit Savings and Loan Association,** Park City, Utah. April 14. Assets of $210.2 million. Management contract.
22. **Columbus Savings and Loan Association,** San Rafael, Calif. April 14. Assets of $280.8 million. Management contract.
23. **Gateway Savings Bank,** San Francisco. April 14. Assets of $163.3 million. Management contract.
24. **Independent American Savings Association,** Irving, Tex. April 22. Asset data not furnished. New officers indemnified.
25. **Flushing Federal Savings and Loan Association,** Flushing, N.Y. April 29. Assets of $467.5 million. Assisted merger.
26. **Washington First Federal Savings and Loan Association of Greater St. Louis,** Normandy, Mo. April 30. Assets of $58.1 million. Assisted merger.
27. **Sun Belt Federal FSB,** Lake Providence, La. May 2. Assets of $196.3 million. Closed.
28. **Mariner Federal Savings and Loan Association,** Seattle. May 9. Assets of $341.9 million. Assisted merger.
29. **Consolidated Savings Bank,** Irvine, Calif. May 22. Assets of $84.3 million. Management contract.
30. **First Federal of Maryland FSA,** Hagerstown, Md. May 23. Assets of $152.7 million. Management contract.
31. **Seapointe Savings and Loan Association,** Carlsbad, Calif. May 30. Assets of $17.3 million. Closed.
32. **Mountain Security Savings Bank,** Wytheville, Va. June 9. Assets of $119.7 million. Assisted merger.
33. **First Federal Savings and Loan of Montgomery County,** Blacksburg, Va. $14.5 million in assets. Assisted merger.
34. **National Permanent Bank FSB,** Washington. June 16. Assets of $100 million. Assisted merger.
35. **Audubon Federal Savings and Loan Association,** New Orleans. June 20. Assets of $223 million. Closed.
36. **New Orleans Federal Savings and Loan Association,** New Orleans. June 20. Assets of $115.3 million. Closed.
37. **Northlake Federal Savings and Loan Association,** Covington, La. June 20. Assets of $100 million. Closed.
38. **Crescent Federal Savings Bank,** New Orleans. June 20. Assets of $87.2 million. Closed.
39. **Community Savings and Loan Association,** Baton Rouge, La. June 20. Assets of $38.5 million. Closed.
40. **American Federal Savings and Loan Association,** Lynchburg, Va. June 26. Assets of $332.6 million. New board.
41. **State Savings and Loan Co.,** South Euclid, Ohio. June 27. Assets of $392 million. Assisted merger.
42. **Citizens Home Savings Co.,** Lorain, Ohio. June 27. Assets of $165.1 million. Assisted merger.
43. **Equitable Federal Savings Bank,** Lancaster, Ohio. July 8. Assets of $708.7 million. Assisted merger.
44. **Lincoln Savings and Loan Association,** Portland, Ore. July 14. Assets of $262.9 million. Assisted merger.
45. **Atlas Savings and Loan Association,** San Francisco. July 14. Assets of $76 million. Assisted merger.
46. **Golden Pacific Savings and Loan Association,** Windsor, Calif. July 14. Assets of $42.8 million. Assisted merger.
47. **Sun Savings and Loan Association,** San Diego. July 18. Assets of $374 million. Closed.
48. **Major Federal Savings and Loan Association,** Cincinnati. July 25. Assets of $23.8 million. Closed.
49. **Central Illinois Savings,** a federal association, Virden, Ill. July 25. Assets of $53.7 million. Closed.
50. **Presidio Savings and Loan Association,** Porterville, Calif. Aug. 8. Assets of $128.6 million. Closed.
51. **Peninsula Savings and Loan Association,** Soldotna, Alaska. Aug. 8. Assets of $42.6 million. Closed.
52. **Life Savings Association of America FSB,** Rockford, Ill. Aug. 9. Assets of $449 million. Management contract.
53. **Coronado Federal Savings and Loan Association of Kansas City,** Kansas City, Kan. Aug. 15. Assets of $13 million. Assisted merger.
54. **Equitable Savings and Loan Association,** San Mateo, Calif. Aug. 15. Assets of $82.2 million. New board of directors.
55. **Reserve Savings and Loan Association,** Wichita, Kan. Aug. 27. Assets of $22.6 million. Assisted merger.
56. **Metropolitan Federal Savings and Loan Association,** Hialeah, Fla. Aug. 27. Assets of $49.2 million. New board of directors, new federal mutual association charter.
57. **Consolidated Savings Bank,** Irvine, Calif. Aug. 29. Assets of $61.4 million. Closed.
58. **Citizens Federal Savings and Loan Association of Cleveland,** Cleveland. Aug. 29. Assets of $486.6 million. Assisted merger.
59. **Dollar Savings Bank of Columbus,** Columbus, Ohio. Aug. 29. Assets of $357.7 million. Assisted merger.
60. **First Savings Association of Kilgore,** Kilgore, Tex. Aug. 29. Assets of $22.6 million. Assisted merger.
61. **Founders Savings and Loan Association,** Los Angeles. Sept. 3. New board of directors.
62. **DeVargas Savings and Loan Association,** Santa Fe, N.M. Sept. 11. Assets of $19.8 million. Assisted merger.
63. **Sunrise Savings and Loan Association FSLA,** Boynton Beach, Fla. Sept. 12. Assets of $1.5 billion. Closed.
64. **Western Federal Savings Association,** Dallas. Sept. 12. Assets of $2 billion. Management contract.
65. **Ramona Federal Savings and Loan Association,** Fillmore, Calif. Sept. 12. Assets of $108.1 million. New federal mutual fund charter. Management contract.
66. **City Savings and Loan Association,** San Angelo, Tex. Sept. 16. New board of directors.
67. **Lamar Savings Association,** Austin, Tex. Sept. 16. New board of directors.
68. **Cal America Savings and Loan Association,** Walnut Creek, Calif. Sept. 19. Assets of $413.9 million. New federal mutual association charter. Management contract.
69. **Homestate Savings and Loan Association,** Hayward, Calif. Sept. 24. Assets of $171.3 million. New board of directors.
70. **Tri-County Savings and Loan Association,** Camden, N.J. Oct. 1. Asset data not furnished. New board of directors.
71. **Republic Savings Bank,** South Be-

Thrifts: Page 9 ➳



Counselor's Corner

Lender Liability Cases Add New Considerations to the Game of High Finance

➳ **Continued from Page 7**

Provisions in a loan agreement that give the lender the right to choose the borrower's management, and control of cash disbursements and other financial decisions may lead a court to conclude that the lender has exercised excess control. Additionally, taking possession of the borrower's facilities or having the power to elect directors or management may be tantamount to control. This was the finding of the court in Farah.

Assessing the Risk

Lenders can respond to the challenge of lender liability by taking stock of their existing lending practices and implementing changes where needed. A close look at existing loan procedures may reveal on-going practices with the potential for devastating consequences. Immediate action may be required.

As a general rule, you should seek to establish standards for dealing with borrowers that reflect both objectivity and good faith. Additionally, you should adhere to the following specific guidelines:

1. Do not threaten the borrower with action that you do not intend to take.

2. Do not utilize advantage or leverage over the borrower's business to usurp the borrower's decision-making authority or to control the borrower's operations.

3. Even if not expressly required under the terms of the loan agreement, give the borrower advance notice if you are calling the loan due or taking other action to enforce repayment.

4. Exercise good judgment in refusing to fund or continuing to fund a loan, particularly where the circumstances reflect that the ability of the borrower to remain in business is wholly or substantially dependent upon the funding or continued funding of the loan. Provide ample notice to the borrower before refusing to advance or continuing to advance funds.

5. Make certain that the written loan agreement accurately reflects the loan transaction. Attempt to limit oral promises or representations concerning the extension of credit. Don't get caught making oral promises for additional lines of credit or loans that you do not intend to make.

6. Assess your exposure to liability with respect to existing loans. Adopt lending conduct as appropriate for future loans.

7. Make use of committees in deciding whether to continue or to terminate a loan. Structure the committee's decision-making process so as to ensure that lending decisions are not made solely on the basis of subjective or emotional relationships that have developed between the borrower and lending officers.

8. Be discrete in documenting the borrower's credit history. Record only relevant, objective facts, avoiding statements that may be inflammatory or potentially libelous.

9. Involve attorneys in problem loans and loan work-outs to know what you can or cannot do. ■

The Markets

Money Market

Wednesday, January 7, 1987

Federal funds range 6%-6 1/16%
Prime rate (8/27/86) 7½%
Discount rate FRB of New York (8/21/86) 5½%
Call Loans on Securities:
To brokers on stock exchange collateral 7.50%

Bankers Accepts. offering rate—discount basis (1/7/87)

30 days—5.99	60 days—5.89	90 days—5.77
120 days—5.70	180 days—5.66	

N.Y. City Banks' CDs — Highest Offering Rate (1/7/87)

14 days—5.75	30 days—5.75	60 days—5.70
90 days—5.65	120 days—5.65	150 days—5.60
180 days—5.60	270 days—5.60	360 days—5.60

Aaa Dealer Comm'l Paper—discount basis (1/7/87)

30 days—6.00	60 days—6.925	90 days—5.85

Comm'l Paper Directly Placed—Range disc. Basis (1/7/87)

5-14 days—5.50-5.70	15-29 days—5.70-5.70
30-59 days—5.70-5.70	60-89 days—5.70-5.70
90-179 days—5.00-5.50	180-270 days—5.00-5.50

Eurodollar Deposits—London bid (1/7/87)

Overnight—6 3/16	7 days—6¼
1 mo.—6 3/16	3 mos.—6⅛
6 mos.—6 1/16	1 year—6 1/16

NIBOR (6-month) 6 3/16%
LIBOR (6-month) 6⅛%

Futures Markets

The Bond Buyer Municipal Bond Index

	Jan. 7, 1987	Jan. 6, 1986	Dec. 31, 1986
Index	102.01	101.22	100.27
Yield	7.09	7.14	7.18

The Bond Buyer Municipal Bond Index was designed by the Chicago Board of Trade to serve as the basis for trading Long-Term Municipal Bond futures contracts when approved by the Commodity Futures Trading Commission. The Index represents an average of the figures obtained when the price of each of 40 select term bonds is divided by a figure derived from the amount at which the bond would be priced to yield 8%. In all computations, the maturity of a bond is represented by its first call at par. The Index is computed daily and is quoted in points and 32nds.

3-Month Domestic CD Futures (IMM)*

Delivery Month	High	Low	Settle	Change (a)	Yield(b)
Mar. '87.	.....	.....	94.48	+ 4	5.52
Sept '87.	.....	.....	94.37	+ 3	5.63

As of the previous day's close; Total no. of contracts traded: 0 total open interest: 20 and change in open interest: unch.

3-Month T-Bill Futures (IMM)**

Delivery Month	High	Low	Settle	Change (a)	Yield(b)
Mar. '87.	94.83	94.74	94.82	+ 5	5.18
June '87	94.85	94.77	94.84	+ 5	5.16
Sept.'87.	94.79	94.73	94.78	+ 4	5.22
Dec. '87.	94.63	94.61	94.61	+ 3	5.39
Mar. '88.	94.40	94.39	94.38	+ 2	5.62
June '88	94.11	94.09	94.09	+ 1	5.91
Dec. '88.	93.51	93.49	93.50	+ 1	6.50

As of the previous day's close; Total no. of contracts traded: 3,510; total open interest: 37,491 and change in open interest: + 257

American Banker Index

Selected Money Center Bank Stocks*

		High	Low	Last
Jan. 7 ...351.1	1987	351.1	331.8	351.1
Jan. 6 ...348.3	1986	388.7	311.2	331.3
Jan. 5 ...341.4	1985	344.2	242.7	344.2
Jan. 2 ...331.8	1984	269.6	178.4	246.3
Dec. 31...331.3	1983	299.6	223.1	260.2

* Based on midday prices.

Gold Coins

Coin Name & Weight	$ Value per Coin Jan. 7	Jan. 6
U.S. Eagle (1 Troy oz.)	424.00	426.40
Krugerrand (1 Troy oz.)	402.80	405.20
Canada Maple Leaf (1 Troy oz.)	415.80	417.20
Mexico Onza (1 Troy oz.)	405.00	407.40
China Panda (1 Troy oz.)	425.80	428.20
Mexico 50 Peso (1.2 Troy oz.)	491.80	493.20
Austria 100 Corona (.98 Troy oz.)	389.80	392.20
U.S. Eagle (.50 Troy oz.)	238.25	239.30

These quotes represent the N.Y fixing price, which are a midprice between what buyers are bidding and sellers are asking. The prices are quoted by Manfra Tordella & Brookes.

Financial . . .

➳ Continued from Page 2

ter but escape their fate.

"When enough sheep were clubbed to death by the developer, American turned around and killed the Judas goat and the sheep as well by foreclosing on the developer and everyone else whose money was tied up in the project," Mr. Wilburn charged.

Ms. Browdy declined to discuss the buy-sell transactions, or address Mr. Wilburn's claims, citing continuing litigation and the press of time.

In settling the Kirkpatrick case, Financial did not admit any liability or wrongdoing, Mr. Jacobson said. ■

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Remics Provide a Note of Optimism To the Bond Market

By RICHARD GOTCHER
The Bond Buyer

WASHINGTON — There are some worrisome signs for bond markets in general as the new year begins: The dollar is slumping, oil prices are set to gain ground, and strong economic indicators dampen hopes that the Federal Reserve Board will push interest rates down.

For the mortgage-backed securities market, however, a new vehicle structured to bring attractive mortgage debt obligations to capital markets should increase the supply of credit to the residential and commercial mortgage markets.

Real estate mortgage investment conduits, also known as Remics, are a new mortgage-security vehicle created by the Tax Reform Act of 1986. They open a wide variety of investment opportunities, and they probably will encourage many institutions to reevaluate basic investment and business strategies.

According to a report prepared by the research department of Salomon Brothers Inc., real estate mortgage investment conduits "will facilitate the creation of residential and commercial mortgage investments that better meet the needs of traditional capital market investors."

Moreover, the Salomon report adds, Remics may produce "an increase in the supply of funds available to mortgage borrowers."

The provisions that created these new mortgage-security vehicles eliminate the need for issuers to balloon their balance sheets and also may eliminate the need to establish special-purpose finance subsidiaries to issue collateralized mortgage obligations. Remics are multiple-class mortgage securities that qualify as asset sales for federal income tax purposes, eliminating the need for a variety of structural inefficiencies that are required for CMOs.

The Salomon report notes other advantages that real estate mortgage investment conduits offer investors over collateralized mortgage obligations:

- They are qualified mortgage investments for thrifts and are eligible for investment by real estate investment trusts under certain guidelines.
- Foreign investors in regular interests of real estate mortgage investment conduits are not subject to the 30% withholding tax, regardless of the issue date of the underlying mortgage collateral.
- Remic multiclass pass-throughs could register higher credit ratings than traditional collateralized mortgage obligations because investors would own a share of the collateral rather than a bond secured by the mortgages.
- Investors can expect the secondary market in real estate mortgage investment conduit residuals to be more liquid than for collateralized mortgage obligation residuals because constraints imposed by unlimited liability and accompanying restrictions on transfers do not apply to Remics.

The attractiveness of Remics could be enhanced even further if a pending regulatory change takes effect, the report adds.

Now under consideration is a rule that would make most collateralized mortgage obligations and real estate mortgage investment conduits eligible for repurchase agreements at a 5% margin, and also would make qualified private pass-throughs eligible as repurchase agreement collateral.

If that change is adopted, the report says, then Remics and qualified pass-throughs will be available for only a few basis points above the rate for similar agency securities.

On Friday, the Labor Department is scheduled to issue December figures for unemployment and the producer price index. Tom Megan, an economist with Evans Economics Inc., predicted that seasonal factors should produce a 6.9% unemployment rate, down slightly from 7% the previous month. Payroll additions will total only 150,000, he estimated, compared with 249,000 in November.

Mr. Megan cited bad conditions in the automotive and lumber industries as the main reasons for the sluggish employment picture. He predicted that producer prices will remain about the same as in November, when that index rose 0.2%. ■

Strategic Dates
Oct. 10, 1988

NATIONWIDE BANKING: Michigan legislation providing for nationwide interstate banking goes into effect today.

Thrifts . . .

➳ Continued from Page 8

loit, Ill. Oct. 2. Assets of $56.5 million. New federal mutual association charter, new board of directors.

72. Unified Savings Bank (formerly Unified Savings FSLA), Northridge, Calif. Oct. 10. Assets of $104.6 million. New federal mutual association charter, new directors. Management contract.

73. Homestead Savings and Loan Association, Woodward, Okla. Oct. 14. Assets of 134.5 million. Closed.

74. Family Federal Savings and Loan Association, Saginaw, Mich. Oct. 16. Assets of $361.4 million. Assisted merger.

75. Farmers Federal Savings and Loan, Ravenswood, W.Va. Oct. 20. Assets of $138 million. Assisted merger.

76. First State Savings and Loan Association, Spartanburg, S.C. Oct. 20. Assets of $80 million. Assisted merger.

77. First Security Savings and Loan Association, Grand Junction, Colo. Nov. 21. Assets of $56.4 million. New board of directors, new federal mutual association charter.

78. Gulf Federal Savings Bank, Metairie, La. Nov. 21. Assets of $500 million. New board of directors, new federal mutual institution charter. Management contract.

79. Security Savings and Loan Association, Scottsdale, Ariz. Dec. 1. Assets not available. Management contract.

80. Valley Federal Savings and Loan Association, Grand Junction, Colo. Dec. 10. Asset information not available. Management contract.

81. FirstSouth FA, Pine Bluff, Ark. Dec. 12. Assets of $1.68 billion. Closed.

82. First Savings of America, Orland Park, Ill. Dec. 17. Assets of $46.2 million. Management contract.

83. Guaranty Federal Bank FSB, Casper, Wyo. Dec. 17. Assets of $59.7 million. Closed. ■

TRUSTCORP, INC.
Toledo, Ohio
has acquired
St. Joseph Bancorporation, Inc.
South Bend, Indiana
The undersigned acted as financial advisor to Trustcorp, Inc. in this transaction.
GOLEMBE
Golembe Associates, Inc.
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December 1986

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